

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2248 - SB 2465

March 2, 2018

SUMMARY OF BILL: Creates the *Fresh Start Act* which prohibits any licensing authority from denying or refusing to renew an application for occupational or professional license, certificate or registration for a prior criminal conviction that does not directly relate to the applicable occupation, profession, business or trade.

Requires a licensing authority to notify an applicant in writing prior to denial for licensure and provide an applicant at least 14 business days to appear in person before the authority.

Allows an applicant to request a declaration from a licensing authority as to whether or not they will be denied a license due to a criminal conviction prior to submitting an application.

Authorizes an applicant or licensee who received a notice of denial based on a criminal conviction to file a petition within 14 days in Davidson County chancery court.

Requires licensing authority to demonstrate by a preponderance of the evidence that the applicant or licensee's prior conviction is directly related to the applicable occupation, profession, business or trade.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures –

\$3,300/One-Time/Division of Regulatory Boards

\$100,500/Recurring/ Division of Regulatory Boards

Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two-year period. The Division of Regulatory Boards experienced a deficit of \$105,632 in FY15-16, a surplus of \$2,735,422 in FY16-17, and had a cumulative reserve balance of \$26,350,035 on June 30, 2017.

Assumptions:

- Based on information provided by the Department of Commerce and Insurance (DCI), the proposed legislation creates a new requirement that cannot be accommodated within existing resources. The Regulatory Boards Division of the DCI will need one Attorney 3

position to meet with denied applicants and licensees who request a meeting and to handle any filed court petitions as a result of this legislation.

- The one-time increase in state expenditures associated with the position is estimated to be \$3,300 (\$1,300 computer + \$2,000 office furniture).
- The recurring increase in state expenditures associated with the Attorney 3 position is estimated to be \$100,491 (\$78,597 salary + \$20,294 benefits + \$1,000 communications + \$600 supplies).
- Based on information provided by the Administrative Office of the Courts, any increase in the number of hearing petitions filed would be absorbed within the existing judicial resources.
- Based on information provided by the Department of Health (DOH), the provisions of this legislation can be implemented utilizing existing staff and department resources.
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two-year period. The Division of Regulatory Boards experienced a deficit of \$105,632 in FY15-16, a surplus of \$2,735,422 in FY16-17, and had a cumulative reserve balance of \$26,350,035 on June 30, 2017.

IMPACT TO COMMERCE:

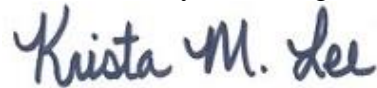
NOT SIGNIFICANT

Assumption:

- This legislation is estimated to have no significant impact on commerce or jobs in this state.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/vlh